

Amended Claims for Application 09/628098 Filing Date 7-27-00

Appendix I

MARKED VERSION

Without conceding the validity of the examiner's argument or the undemonstrated prima facie, and to expedite prosecution of the application, the claims are hereby amended as below and we respectfully seek the examiner's permission to add the following amendments:

1. (Currently Amended) A method operative at a server for negotiating and managing loan syndication over a network, comprising the steps of:
- having a database of the committed loan syndication and related loan documents maintained at the server;
- ~~having the loan syndicator post a bid to an online auction block receiving a loan syndication request from a loan syndicator wherein request is~~ maintained at the server for a predetermined period of time;
- in response to a request from potential lenders to the server identifying a given loan syndication requirements, identifying a set of bids requests within that requirements;
- accepting one or more potential lender's commitment to said syndication request;
- in response to the potential lenders accepting a given one of the set of bids syndication requests posted by the loan syndicator, ~~sending secure~~ electronic message to notifying the loan syndicator and potential lenders confirming a loan syndication commitment in principle by said lenders and ~~sending an acceptance message further notifying to the said lenders when~~ the loan syndicator and final borrower have accepted the said lenders' in principle commitment; and
- ~~in response to the acceptance by the loan syndicator and final borrower, the lenders are provided an opportunity to ratify their commitments by cause to legally authorizing their commitments or to withdraw;~~

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~~in response to ratifying their commitments, lenders to execute their individual loan obligation in accordance to the terms of the bid by causing to transfer funds to the account of the loan syndicator over a network;~~

5 ~~in response to the said transferred funds, loan syndicator authorizing the disbursement of the funds to the final borrower over a network;~~

10 ~~in response to periodically loan commitments if any as determined by the loan syndicator and agreed by lenders, sent electronic notification to lenders regarding their commitments; and~~

~~in response to interest and principal payments received from final borrower on a periodical basis, provide instructions to transfer the amounts to lenders in accordance to their commitments on behalf of loan syndicator.~~

15 whereby said potential lenders can post questions and the loan syndicator can response to these questions visible to all over a network.

20 2. (Currently Amended) The method as described in claim 1 wherein the identities of the final borrower and potential lenders at their discretion may be anonymous.

25 3. (Currently Amended) The method as described in claim 2 further including the steps of notifying the identities of respective participants in the syndication wherein the final borrower and loan syndicator are provided with the first right access to potential lenders' identities on receiving said acceptance in principle by the said lenders and said lenders are only provided with access to final borrower's identity through loan syndicator
30 when their said acceptance in principle have also been accepted by final borrower.

35 4. (Currently Amended) The method in claim 1 wherein further including the steps: ~~the lenders can post questions and the loan syndicator can response to these questions visible to all over a network.~~

in response to the acceptance by the loan syndicator and final borrower, the potential lenders are provided an opportunity to ratify their commitments by cause to legally authorizing their commitments or to withdraw;

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in response to ratifying their commitments, lenders to execute their individual loan obligation in accordance to the terms of the loan by causing to transfer funds to the account of the loan syndicator over a network; and

5 in response to the said transferred funds, loan syndicator authorizing the disbursement of the funds to the final borrower over a network.

10 5. (Currently Amended) The method in claim 1 ~~wherein lenders, final borrower and loan syndicator have access privileges respectively to the server over a network~~ further includes an auction routine for potential lenders to place loan commitment bids satisfying syndicating request.

15 6. (Currently Amended) The method in claim 1 wherein electronic loan documents ~~pertaining to the bid~~ may be cooperatively amended by potential lenders upon authorization by final borrower and loan syndicator.

7. (canceled)

20 8. (Currently Amended) The method as described in claim 1 wherein the ~~bid request~~ identifies at least a desired-risk class of the final borrower ~~including, borrowing terms, and legal conditions, loan rate or cost and period of loan.~~

25 9. (Currently Amended) The method as described in claim 1 wherein the ~~bid request~~ identifies a desired loan of the nature of a bond instrument, a floating or fixed rate note, a hybrid with detachable equity, a revolving credit instrument, a letter of credit instrument, negotiable certificate of deposit or any instrument that has the nature of a loan instrument with interest payable or discounted as in treasury notes or equity or profit participation in lieu of
30 interest payable.

10. (canceled)

11. (canceled)

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12. (canceled)

40 13. (Currently Amended) A server connectable to a computer network preferably over the internet for negotiating and managing loan syndication, comprising:

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at least one client machine connected to the said server wherein said server comprising:

- 5 a ~~database of loan syndication information;~~
- a ~~database of authorized loan participants information;~~
- a ~~database of past loan syndication information;~~
- 10 a database of executed or in progress loan syndication and related documents information;
- a ~~database of authorized contacts information;~~
- 15 a ~~display routine for displaying a table of loan rates indexed by size of loan, period of loan, instrument of loan, syndicate or lender, country risk, role of participants, closing date, agreements, status of syndicator, final borrower's industry, collateral and comments by other bidders;~~
- 20 a ~~display routine for displaying a table of participants in past and current loan syndication facility;~~
- a ~~display routine for displaying a table of the risk, period, instrument and return preferences of lenders;~~
- 25 a ~~display routine for displaying a table of the risk, period, instrument and return preferences of lenders;~~
- an ~~auction routine for enabling users of client machines to negotiate to buy and sell loan syndication commitments anonymously and in full confidentiality;~~
- 30 an ~~auction routine enabling users of client machines to place an automatic bid incrementally up to their upper limit when their original bid was challenged by another new bid and the original bid is then deleted to prevent double counting;~~
- 35 an ~~auction routine enabling users of client machines to place conditional bids which are recorded but not submitted until the condition has been fulfilled;~~
- an ~~auction routine where conditional bids and automatic bids are only known to the bidder and host authority;~~
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~~an information feedback system where users of client machine will be able to view feedback from the originator and others feedback as well as to provide feedback/comments on their own;~~

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an information feedback system whereby potential lenders can post feedback/comments and the loan syndicator can response viewable by all over a network;

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~~a rating system to determine the success rate of each originator so as to provide a comparison to their ability to close a deal;~~

~~a search facility to enable users to make more accurate searches into their particular needs;~~

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~~a programmable administrative routine to enable the loan syndicator to manage the lenders commitments where such routine include sending instructional emails to lenders of their commitments such as draw down, to receive funds from lenders to be deposited into final borrowers' accounts and to receive interest and principal payments from final borrowers in accordance to terms of facility where such payments will be credited to the respective lenders' accounts in relation to their portion of commitments; and~~

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~~a programmable administrative routine to monitor correspondence, update electronic documents, issue settlement instructions, accounting functions, auditing, perform billings, provide different degree of access to loan syndicated participants in order for them to perform their duties, calculate and determine the interest costs principal repayment for each syndication on behalf of the syndicator.~~

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a memory having at least one region for storing executable program code wherein the program code further comprising :

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code to receive a loan syndication request and related documents from a loan syndicator, and

code to accept one or more potential lender's commitment to said syndication request.

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14. (Currently Amended) The server as described in claim 13 wherein the ~~auction routine further includes means auction routine for enabling a lender~~ to post a commitment bid for a given loan syndication facility request where ~~such bid may be a parcel or a divisible unit of the total loan requested where~~
5 ~~such parcel is linked to a particular rate and period of commitment.~~

15. (Currently Amended) The server as described in claim 14 wherein the ~~auction routine~~ further includes means for enabling a loan syndicator or originator and final borrower to accept ~~the said~~ bid including a divisible unit
10 linking to a particular rate of the loan and the period for the stated loan syndication facility.

16. (Currently Amended) The server as described in claim 13 wherein the ~~auction routine includes means for enabling a loan syndicator to post, delete, withdrawn, close, extend period of acceptance and update a bid for a given~~
15 ~~loan syndication facility.~~ further includes means for cooperatively amending of said documents by potential lenders upon authorization by final borrower and loan syndicator.

17. (Currently Amended) The server as described in claim 15 wherein the ~~auction routine further includes means for enabling a loan syndicator and~~ final borrower to accept new bids in access of the total loan commitment where agreeable by other lenders and to substitute new lenders' bids where
20 acceptance in principle lenders have withdrawn from the syndication facility.

18. (Currently Amended) The server as described in claim 13 wherein the ~~auction routine further includes means for participants identities to be~~ released where the final borrower and loan syndicator have the right to
25 access identities of potential lenders in response to said lenders acceptance in principle to the bid, and where potential lenders have access to final
30 borrower's identities when final borrower further accepts said lender's participation upon knowing said lender's identity, said lender will have the final means to either accept the final borrower's bid upon knowing said
35 identity or withdraw.

19. (Currently Amended) The server as described in claim 13 wherein the ~~administrative routine further includes~~ includes means for selecting the various bids into a risk return matrix satisfying at least the total amount of

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~~the loan syndicate in the order of the best bids first and sending this matrix for acceptance by loan syndicator and final borrower.~~

5 a programmable administrative routine to enable the loan syndicator to manage the lenders commitments where such routine include sending instructional emails to lenders of their commitments such as draw down, to receive funds from lenders to be deposited into final borrowers' accounts and to receive interest and principal payments from final borrowers in accordance to terms of facility where such payments will be credited to the
10 respective lenders' accounts in relation to their portion of commitments; and

a programmable administrative routine to monitor correspondence, update electronic documents, issue settlement instructions, accounting functions, auditing, perform billings, provide different degree of access to lenders in
15 order for them to perform their duties, calculate and determine the interest costs principal repayment for each syndication on behalf of the syndicator.

20. (canceled)

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21. (NEW) An apparatus for syndicating a loan, comprising:

a programmed computer, further comprising:

25 a memory having at least one region for storing executable program code; and

a processor for executing the program code stored in the memory, wherein the program code, further comprising:

30 code to receive a loan syndication request from a loan syndicator, and

code to accept one or more potential lender's commitment to said syndication request.

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22. (NEW) The apparatus according to claim 21, wherein program code further include codes for an auction routine.

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23. (NEW) The apparatus according to claim 21, wherein program code further include codes implementing a feedback routine between syndicating members and loan syndicator.
- 5 24. (NEW) The apparatus according to claim 21, wherein program code further includes codes implementing a co-operative amendment routine for loan documents by syndicating members upon authorization from final borrower and loan syndicator.
- 10 25. (NEW) Computer executable software code stored on a computer readable medium, the code for negotiating and managing a loan syndication implementing the method of Claim 1.

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